

# **FISCAL NOTE**

## **SB 3016 - HB 2867**

February 4, 2004

**SUMMARY OF BILL:** Includes the Tennessee Foreign Language Institute (TFLI) in the State Employee Fee Waiver Program to allow state employees to take one course per term at the TFLI without paying tuition and fees.

Currently, under TCA 8-50-114, full time employees of the state of Tennessee are eligible for enrollment in one course per term at any state-supported college, university or area vocational-technical school without paying tuition charges, maintenance fees, student activity fees or registration fees. Enrollment privileges may be limited or denied by the college, university, or vocational-technical school on an individual basis according to space availability. Any reimbursement to the state-supported colleges, universities or area vocational-technical schools for the enrollments provided under this statute is limited to those funds specifically appropriated for that purpose in the General Appropriations Act. Such reimbursement is limited to assessed charges and fees of enrollment. The TFLI is not covered by this statute, but currently offers discounted rates to state employees.

### **ESTIMATED FISCAL IMPACT:**

#### **Increase State Expenditures - \$58,000**

Estimate based on the following:

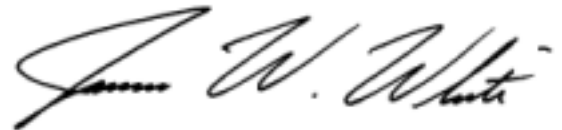
- In 2003, 276 foreign language courses were taken and paid for by state employees at TFLI.
- A state employee may take a foreign language course at TFLI four times a year, including the summer term.
- A state employee will be allowed to take a course on a space availability basis.
- In order for a state employee to take a free course under the fee waiver program, there must be an adequate number of paying students in the class to pay for the cost of instruction.
- The TFLI estimates that a state employee may take a course at TFLI for a fee of approximately \$175 per course. (This is the cost for a state employee to take a state personnel training class offered through the Department of Personnel.)

- Materials are not included in the fee and cost approximately \$50 per course.
- The number of foreign language courses taken by state employees at the TFLI is estimated to increase by at least 20% if the TFLI is included in the State Employee Fee Waiver Program. Therefore, it is estimated that an additional 55 courses (276 courses are presently being taken by state employees) will be taken by state employees and be eligible for a fee waiver the first year after enactment of this bill.
- If at least 331 courses are taken under the State Employee Fee Waiver Program the first year, the fiscal impact would be an increase in state expenditures of approximately \$58,000.
- State employees who are currently seeking a two or four-year degree will continue to take foreign language courses at a college or university in order to receive academic credit toward fulfilling a degree requirement.
- To the extent state appropriations are required to cover loss of revenue from fees from those state employees currently paying tuition, who will no longer pay tuition under this bill, state expenditures are estimated to increase approximately \$58,000.

*For informational purposes, 385 foreign language courses were taught in 2002 to state employees. This number included state personnel training classes offered through the Department of Personnel (which are not currently being offered) and other state employees who were paying for the course. The classes that were taught through the Department of Personnel were billed at approximately \$175 per student per course.*

## **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with a long horizontal stroke at the end.

James W. White, Executive Director